

REPORT OF THE COMMITTEE ON EXECUTIVE MATTERS AND LEGAL AFFAIRS

Voting Members

Ron Menor, Chair; Carol Fukunaga, Vice-Chair,
Ikaika Anderson, Stanley Chang, Breene Harimoto, Ann H. Kobayashi,
Joey Manahan, Ernest Y. Martin, Kymberly Marcos Pine

Committee Meeting Held
October 29, 2013

Honorable Ernest Y. Martin
Chair, City Council
City and County of Honolulu

Mr. Chair:

Your Committee on Executive Matters and Legal Affairs, to which was referred Resolution 13-216, FD1 entitled:

"RESOLUTION INITIATING AMENDMENTS TO THE REVISED CHARTER OF THE CITY AND COUNTY OF HONOLULU 1973, AS AMENDED, RELATING TO THE BOARD OF WATER SUPPLY,"

introduced on September 10, 2013 and which passed First Reading at the September 11, 2013 Council meeting, reports as follows:

The purpose of this Resolution is to amend the Revised City Charter to prohibit the rate- and charge-setting power of the Board of Water Supply from being used to establish retroactive billing practices.

Manager and Chief Engineer, Ernest Y.W. Lau, Board of Water Supply (BWS), testified in opposition to Resolution 13-216 FD1. Manager Lau recognized that the introduction of this resolution was the result of issuing recalculated bills to their customers to correct previously estimated bills. He also shared that during the implementation of their new Customer Information System (CIS) in January 2013, three major factors led to the

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CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ADOPTED ON NOV 13 2013

COMMITTEE REPORT NO. 331

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generation of an unusually high amount of estimated bills: (1) conversion to a new billing system, (2) conversion from bi-monthly to monthly bills and (3) an aging automatic meter reading system. Manager Lau felt that Resolution 13-216 FD1 is not the appropriate answer to the issue, however, he believed that Resolution 13-201, which requests for the City Auditor to perform a comprehensive management and performance audit of the BWS, is a more reasonable response.

Manager Lau informed the committee that the BWS will re-evaluate its billing system. As requested by the committee, the BWS agreed to provide an update on their progress to change the system at the next committee meeting.

Your committee received testimony in support of Resolution 13-216 FD1 from Mr. James Edgar Baker, Jr., Ms. Carol Farias for Hazel Pu, Dr. Jim Anthony, and Mr. Kevin Rathbun. Your committee received testimony in opposition to this measure from Ms. Dee Sugihara and Mr. Randy Perreira, Executive Director of Hawaii Government Employees Association; Mr. Quirino Antonio, Jr., P.E., Manager-Chief Engineer, Department of Water Supply, County of Hawaii; and Mr. David R. Craddick. Your committee received testimony from the City Auditor Edwin Young, Ms. Virgie Jariba, Ms. Choon James, Ms. JoDee Hunt, Ms. Patricia Childs, Mr. Richard Drake Jones, Mr. Ronald M. Fong, Mr. Frank Schultz, Ms. Diana Nakao, Ms. Robyn Camacho and Mr. Melecio Cuaresma who provided general comments.

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Your Committee on Executive Matters and Legal Affairs is in accord with the intent and purpose of Resolution 13-216, FD1 and recommends that it pass Second Reading and be scheduled for a Public Hearing. (Ayes: Anderson, Chang, Fukunaga, Harimoto, Kobayashi, Martin, Pine, Menor - 8; Noes: None; Excused: Manahan - 1.)

Respectfully submitted,


Committee Chair

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